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**Datasheet for the decision
of 16 May 2012**

Case Number: T 0353/11 - 3.3.10

Application Number: 97950339.8

Publication Number: 886719

IPC: E21B 37/06, E21B 43/22

Language of the proceedings: EN

Title of invention:

A process and a formulation to inhibit scale in oil field production

Applicant:

Ineos Oxide Limited

Headword:

Process to inhibit scale in oil field production/INEOS OXIDE

Relevant legal provisions:

EPC Art. 111(1)
EPC R. 103(1)(a), 111(2)

Keyword:

"Decision reasoned in the sense of Rule 111(2) EPC (no)"
"Substantial procedural violation (yes)"
"Reimbursement of appeal fee (yes)"

Decisions cited:

T 0034/90, T 0278/00, T 1356/05, T 1631/06

Catchword:

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Case Number: T 0353/11 - 3.3.10

D E C I S I O N
of the Technical Board of Appeal 3.3.10
of 16 May 2012

Appellant:
(Applicant) Ineos Oxide Limited
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Representative: Rickard, Timothy Mark Adrian
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Decision under appeal: Decision of the Examining Division of the
European Patent Office posted 24 November 2010
refusing European patent application
No. 97950339.8 pursuant to Article 97(2) EPC.

Composition of the Board:

Chairman: P. Gryczka
Members: J. Mercey
D. S. Rogers

Summary of Facts and Submissions

- I. The appeal lodged on 17 December 2010 lies from the decision of the Examining Division dated 24 November 2010 refusing European patent application No. 97950339.8 with the European publication No. 886719 and International publication No. WO 98/30783.
- II. This is the second appeal which has been filed in connection with this application. In the decision on the first, T 1631/06 (not published in OJ EPO), the Board found that the subject-matter of claim 1 of the set of 21 claims filed with the letter dated 2 November 2009 was novel over the disclosure of document (1):

(1) WO-A-96 22451

since said document did not disclose that the pH of the formulation prior to injection should be controlled in relation to the pH and temperature prevalent or created in the rock formation, such that upon injection into the rock formation the pH of the formulation varied to a value so as to generate a precipitate of the scale inhibitor *in situ*. The Board remitted the case to the first instance for further prosecution on the basis of said claims, claim 1 of which read as follows:

"A process for minimising the number of squeezing and shut-in operations needed to inhibit scale and thereby increase the production rate from an oil well using the precipitation squeeze method, said process comprising injecting into an oil-bearing rock formation matrix a water-miscible formulation comprising:

- a) a water-miscible surfactant which is in liquid form,
- (b) a solution of a water-soluble metal salt comprising a multivalent cation and
- (c) a solution of a water-miscible scale-inhibiting compound comprising an anionic component capable of forming a scale inhibiting precipitate in situ in the presence of the cations in (b) upon injection into in the rock formation matrix,

characterised in that the surfactant (a) is a glycol ether and the minimum ion concentration of the scale inhibiting compound (c) is 5000 ppm based on the total weight of the formulation, said components (a) - (c) being introduced either as a pre-formed single homogeneous composition, or simultaneously in parallel or sequentially in either order into the rock formation matrix wherein the pH value of the formulation is so controlled that prior to introduction thereof into the rock formation matrix the components of the formulation are in solution whereas upon injection into the rock formation matrix and under the conditions of pH and temperature prevalent or created in said matrix, the pH of the solution varies to a value so as to generate in situ a precipitate of the scale inhibitor when compound (c) is in contact with the compound (b)."

III. On remittal, the Examining Division directly summoned the Applicant to oral proceedings, said summons being accompanied by a communication dated 21 January 2010, wherein it was indicated that it would be examined whether the distinguishing feature of the invention involved an inventive step or not. It further indicated that it was not clear whether the examples of the

- application illustrated the distinguishing feature of the invention and invited the Applicant to submit such an example.
- IV. In its response, the Applicant submitted that the invention was "clearly patentable" and indicated that it did not intend to attend the oral proceedings and requested a decision based on the state of the file.
- V. The Examining Division issued a decision dated 24 November 2011 using EPO Form 2061 refusing the application. The decision merely stated that the Applicant had been informed in the communication dated 21 January 2010 that the application did not meet the requirements of the EPC, the reasons for the refusal being those set out in the communication dated 21 January 2010.
- VI. In its Grounds of Appeal, the Applicant (hereinafter referred to as the Appellant) provided arguments as to why the subject-matter of the claims filed with letter dated 2 November 2009 was inventive and requested that a patent be granted on the basis of these claims.
- VII. In response to the summons of the Board to oral proceedings to be held on 16 May 2012, the Appellant withdrew its request for oral proceedings and requested a decision on the basis of the file.
- VIII. In a communication dated 9 May 2012, the Board indicated that the contested decision of the Examining Division did not appear to be sufficiently reasoned (Rule 111(2) EPC), thus amounting to a substantial procedural violation. The Board thus intended to remit

the case to the first instance for further prosecution and to order reimbursement of the appeal fee.

- IX. At the end of the oral proceedings, which were held in the absence of the Appellant, the decision of the Board was announced.

Reasons for the Decision

1. The appeal is admissible.
2. *Rule 111(2) EPC*
 - 2.1 Pursuant to Article 106(1) EPC an appeal shall lie from the decisions of the examining divisions. According to Rule 111(2) EPC the decisions of the European Patent Office open to appeal shall be reasoned.
 - 2.2 The function of appeal proceedings is to give a judicial decision upon the correctness of an earlier decision taken by a first instance department (see *inter alia* T 34/90, OJ EPO 1992, 454, point 1 of Headnote). A reasoned decision issued by the first instance department meeting the requirements of Rule 111(2) EPC is accordingly a prerequisite for the examination of the appeal.
 - 2.3 It is established jurisprudence of the boards of appeal that for this requirement to be fulfilled the decision must include, in logical sequence, the supporting arguments. The grounds upon which a decision is based and all the relevant considerations in respect of the factual and legal aspects of the case must be discussed

in detail in the decision (see *inter alia* T 278/00, OJ EPO 2003, 546).

2.4 In the present case the Examining Division refused the application using EPO Form 2061 under the so-called "decision on the state of the file" procedure. This typically involves referring in, and/or annexing to Form 2061, one or more previous communications of the examining division.

2.4.1 This standard form may be entirely appropriate in the case where the examining division has fully expressed and reasoned its objections to the current application text in the preceding communication(s). It should be noted that a request for a decision based on the current state of the file does not mean that the party gives up its right to a reasoned decision (see T 1356/05, point 15 of the reasons, not published in OJ EPO). It simply means that the party does not wish to further comment on the case.

2.5 In the present case, the decision under appeal refers solely to the communication of 21 January 2010, which was annexed to a summons to attend oral proceedings.

2.5.1 Points 1 to 3 of said communication merely reproduce the wording of claim 1 on file, indicate that the subject-matter thereof was deemed novel by the decision T 1631/06, and that during oral proceedings inventive step would be examined.

2.5.2 Point 4 of said communication begins with the wording "The preliminary opinion of the Examining Division is the following". It then identifies the closest prior

art, namely document (1), and describes what is disclosed therein and how the subject-matter of claim 1 of the application in suit is distinguished therefrom, namely by the feature identified in point II above. It was then indicated that "it will be examined whether this feature involves an inventive step or not". It was further indicated that it was not clear whether the examples of the application illustrated the distinguishing feature of the invention and invited the Applicant to submit such an example. It indicated that it would then be examined whether the defined controlling of the pH value involved any surprising effect *vis-à-vis* Example 1 of document (1). The Applicant was thus invited to compare the effects of the claimed process with that of Example 1 of document (1), said comparison being carried out under the same experimental conditions, i.e. the experiments should differ only by virtue of the distinguishing feature and the significance of any effects should be explained.

- 2.6 The communication thus does no more than to identify the closest prior and the distinguishing feature of the invention, indicates that it is "not clear" whether the examples of the application illustrate the distinguishing feature of the invention, states it will be examined whether or not the process is inventive, and invites the Appellant to file a comparative example. It neither gives an explicit conclusion with respect to inventive step, nor any reasons as to why the claimed process is not inventive. More particularly, it provides no reasons as to why it may have been obvious to the skilled person to amend the process according to document (1) by controlling the pH of the formulation prior to injection in relation to the pH and

temperature prevalent or created in the rock formation, such that upon injection into the rock formation the pH of the formulation varies to a value so as to generate a precipitate of the scale inhibitor *in situ*, i.e. as to why in the absence of a comparative example, the claimed process lacks an inventive step. Furthermore, no reasons are given as to why the examples of the application do not appear to illustrate the distinguishing feature of the invention, and thus nor as to why they do not provide a fair comparison with document (1).

2.7 Accordingly this communication cannot be regarded as containing any reasons at all for refusing the application, and also does not arrive at any conclusion with regard to inventive step.

2.8 It might be that the Examining Division had the intention to give more detailed reasons to the Applicant/Appellant during the oral proceedings but, the oral proceedings not having taken place, a simple reference in the decision to vague and incomplete statements in a prior communication cannot be considered as valid reasoning pursuant to Rule 111(2) EPC.

2.9 Thus, the Examining Division did not issue a reasoned decision within the meaning of Rule 111(2) EPC and, therefore, committed a substantial procedural violation.

3. *Remittal*

In view of the aforementioned procedural violation, the decision under appeal must be set aside and the case

remitted to the first instance according to Article 111(1) EPC.

4. *Reimbursement of the appeal fee (Rule 103(1)(a) EPC)*

The appeal is allowed insofar as the decision under appeal is set aside. The Board considers it to be equitable by reason of the substantial procedural violation made by the Examining Division to reimburse the appeal fee pursuant to Rule 103(1)(a) EPC.

Order

For these reasons it is decided that:

1. The decision under appeal is set aside.
2. The case is remitted to the first instance for further prosecution.
3. The appeal fee is reimbursed.

The Registrar:

The Chairman:

C. Rodríguez Rodríguez

P. Gryczka